

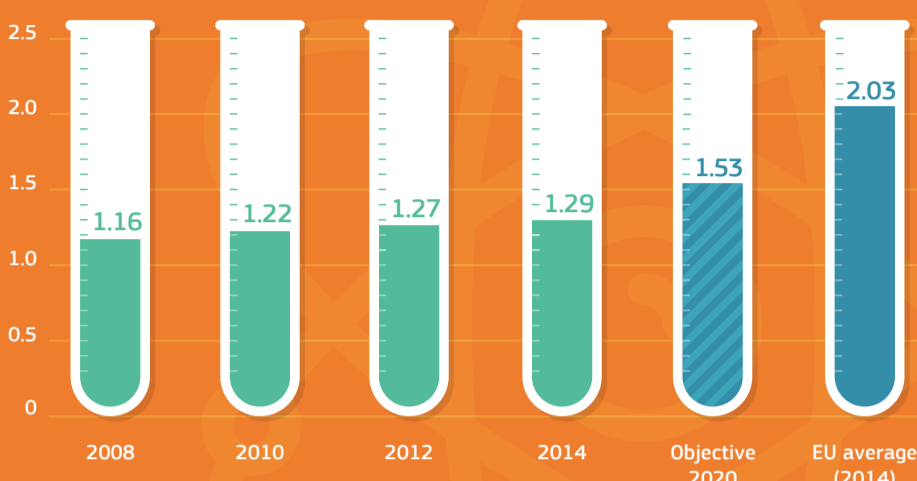
# Italy

Investing in human capital and putting in place innovation-friendly framework conditions

## INVESTMENT IN R&D

### R&D SPENDING

R&D investment has slightly increased in recent years but the gap with the EU average is still quite significant

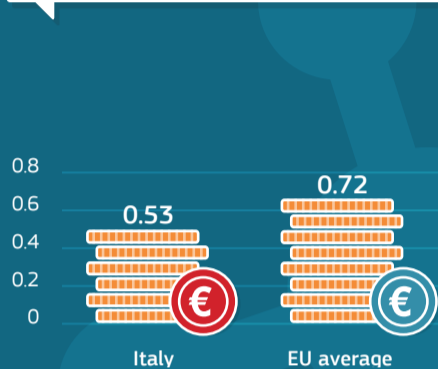


R&D intensity (total R&D spending as % of GDP)

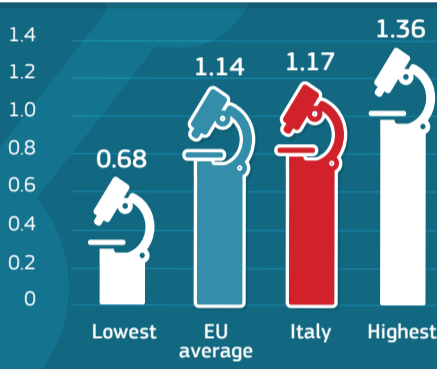
## STRENGTHS OF R&I SYSTEM

### QUALITY OF RESEARCH SYSTEM

Strong public science base despite an overall underinvestment in research and innovation



Public R&D intensity (public spending on R&D as % of GDP) (2014)



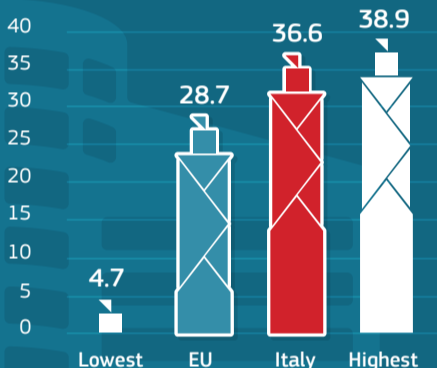
Average impact factor (ARIF) of scientific publications (2013)

### SME INNOVATIVENESS

The innovative attitude of Italian SMEs may represent an added-value for the national economy if it is fully exploited and supported



SMEs introducing product or process innovation, as % of SMEs (2012)



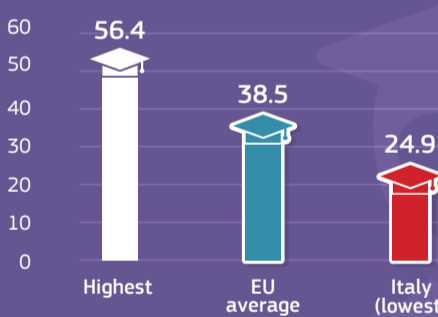
% SMEs innovating in-house (2012)

## KEY CHALLENGES

### TERTIARY EDUCATION

### SCIENCE & ENGINEERING SKILLS

The scarcity of highly skilled human resources is a significant barrier to R&D investment



% 30-34-year-olds who have graduated from tertiary education (2015)

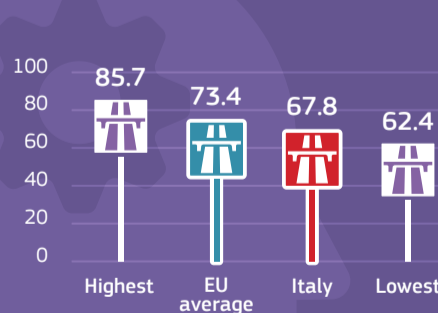


Share of new graduates (per thousand aged 25-34) in science and engineering (2014)

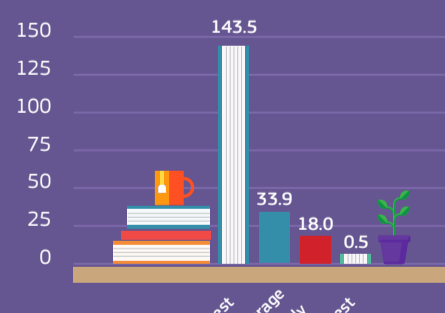
### EASE OF DOING BUSINESS

### PUBLIC-PRIVATE COOPERATION

An unfavourable business environment, and below-average cooperation between academia and business, does not allow the full exploitation of SMEs' innovation potential



Ease of Doing business (scored out of 100) (2014)



Number of public-private co-publications per million population (2014)

## RECOMMENDATIONS

### ROOM FOR IMPROVEMENT

- Assure proper supply of highly skilled work force**, in particular in science and engineering, to boost the innovation performance of the whole economy
- Strengthen academia-business cooperation** to attract and leverage business investments in R&D activities
- Put in place innovation-friendly framework conditions** to fully exploit the innovation potential of Italian SMEs